



Please reply to:

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Date: 02 November 2022

Notice of meeting

Administrative Committee

Date: Thursday, 10 November 2022

Time: 7.00 pm

Place: Council Chamber, Council Offices, Knowle Green, Staines-upon-Thames TW18 1XB

To the members of the Administrative Committee

Councillors:

N. Islam (Chairman)	S.A. Dunn	A.J. Mitchell
J.T.F. Doran (Vice-Chairman)	R.D. Dunn	B.B. Spoor
A. Brar	N.J. Gething	J. Vinson
J. Button	A.C. Harman	S.J. Whitmore

Substitute Members: Councillors R.O. Barratt, C. Bateson, M. Beecher, K.M. Grant, I.T.E. Harvey and V. Siva

Councillors are reminded that the Gifts and Hospitality Declaration book will be available outside the meeting room for you to record any gifts or hospitality offered to you since the last Committee meeting.

Spelthorne Borough Council, Council Offices, Knowle Green

Staines-upon-Thames TW18 1XB

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Agenda

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| 1. Apologies for absence | |
| To receive apologies for absence. | |
| 2. Minutes | 3 - 6 |
| To confirm the minutes of the meeting held on 7 July 2022 as a correct record. | |
| 3. Disclosures of interest | |
| To receive any disclosures of interest from councillors in accordance with the Council's Code of Conduct for members. | |
| 4. Appointments to Outside Bodies | 7 - 8 |
| To consider and agree appointments to outside bodies for 2022-23 municipal year as proposed by group leaders. | |
| 5. Quarter 1 Capital Monitoring Report | 9 - 18 |
| To note the projected underspend on capital expenditure for the Administrative Committee against its Capital Programme provision as at 30 June 2022. | |
| 6. Quarter 1 Revenue Monitoring Report | 19 - 34 |
| To note the projected underspend on revenue expenditure for the Administrative Committee against its budget as at 30 June 2022. | |
| 7. Forward Plan | 35 - 38 |
| To consider the Forward Plan for committee business. | |

**Minutes of the Administrative Committee
7 July 2022**

Present:

Councillor N. Islam (Chairman)

Councillors:

C.F. Barnard

R.D. Dunn

S.C. Mooney

J.T.F. Doran

N.J. Gething

S.J Whitmore

Substitutions: Councillors I.T.E. Harvey (In place of A. Brar)

Apologies: Councillors A. Brar

In Attendance: Councillors C. Bateson and M. Beecher

9/22 Apologies for absence

Apologies were received from Cllr Amar Brar. She nominated Cllr Ian Harvey to attend as her substitute.

Cllrs Sandra Dunn and Denise Saliagopoulos attended the meeting remotely via Microsoft Teams. They were allowed to take part in the debate, but were not allowed to vote.

10/22 Disclosures of interest

There were none.

11/22 Minutes

The minutes of the meeting held on 21 April 2022 were agreed as a correct record.

12/22 Civic Engagement Platform

The committee considered a report from the Programme Manager that sought agreement from the committee to expand the current customer platform. The Programme Manager explained that if developed, residents who used the platform would receive a faster, more efficient service.

The committee noted that although there would be initial expenditure, as licenses for other products expired, a decision to approve would ultimately result in savings. The committee acknowledged that the Council already used Granicus in some areas, and there was knowledge and skill within the organisation to help expand and develop it. The committee also noted the use of the platform by over half of public sector organisations in the UK.

Subject to Council approving the expenditure, the committee **resolved** to

1. Agree the expansion of the Granicus Civic Engagement platform, to merge existing self-service portals into one and offer a wider range of features and functions to Spelthorne's communities and customers through that portal.
2. To authorise direct award for a call off contract via the Crown Commercial Service (CCS) GCloud 12 (RM1557) procurement framework to system vendor Granicus-Firmstep Limited "Lot 2:Cloud Software". The contract would run for a minimum of 2 years with the option to extend the contract for up to 2 periods of 12 months each.
3. To authorise the Head of Corporate Governance to enter into any legal documentation necessary to implement the new contract.

13/22 Corporate Project Management update

The Programme Manager, Dan Dredge, gave a presentation on the new corporate project management site that demonstrated how projects would be managed, delivered, and reported on.

The committee noted the site seemed more user friendly than the current system and would be accessible to members.

The Committee **resolved** to note the Corporate Project Management update.

14/22 Members ICT post 2023 election (being purchased in 2022)

The committee considered a report requesting approval for the purchase of 41 Microsoft Surface Pro tablets and continuation of a £200 allowance for the four-year term as a contribution towards member broadband costs. The ICT Manager explained that members found the Microsoft tablets to be user friendly and more compatible with programmes used by the Council.

The committee expressed concern that members would not be allowed to keep their current tablet at the end of their term and believed this contradicted a previous cabinet decision. The committee also felt the allowance should be

reviewed to help cover related costs. The committee requested the management team produce a report regarding the retention of issued tablets.

The Committee **resolved**

1. To approve the purchase of 41 Surface Pros and
2. That officers be asked to provide a report on the retention of devices at the end of councillors' four year terms and the provision of allowances for incidental ICT related costs.

15/22 Appointments to outside bodies for 2022-23

The committee considered nominations from group leaders to outside bodies as set out in the supplementary agenda.

The committee were informed that since publication, Councillor Sinead Mooney had become the sole nominee to A2Dominion Customer Insight Panel.

Two nominations had been received for Surrey Museums Consultative Committee: Councillor Richard Barratt and Councillor Tom Fidler. A vote was taken, and the committee **resolved** to appoint Councillor Richard Barratt as the representative to the Surrey Museums Consultative Committee.

Cllr Sandra Dunn revised her nomination for the Deputy Representative to Councillor Tom Fidler.

The committee **resolved** to appoint Cllr Tom Fidler as deputy representative to the Surrey Museums Consultative Committee.

The Committee **resolved** to appoint the remaining representatives and deputy representatives as set out in the supplementary agenda.

16/22 Forward Plan

The Committee **resolved** to note the forward plan for future committee business.

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Administrative Committee

10 November 2022



Title	Appointments to Outside Bodies 2022-23
Purpose of the report	To make a decision
Report Author	Karen Wyeth; Interim Principal Committee Manager
Ward(s) Affected	All wards
Exempt	No
Exemption Reason	Not applicable
Corporate Priority	This item is not in the current list of corporate priorities but still requires a committee decision.
Recommendations	<p>The committee is asked to:</p> <p>Agree the nomination to an outside body, for the remainder of the 2022-23 municipal year, as proposed by group leaders.</p>
Reason for Recommendation	To ensure that the council maintains appropriate representation on bodies that it nominates representatives to.

1. Summary of the report

- 1.1 This report seeks the Administrative Committee's agreement to additional appointments to outside bodies, for the remainder of the 2022-23 municipal year, as proposed by group leaders.
- 1.2 The nominations will be appended to this report once group leaders have reached an agreement.

2. Key issues

- 2.1 The responsibility for nominating to outside bodies (with the exception of the South West Middlesex Crematorium Board and the Surrey Police and Crime Panel which are reserved to Council) was moved into the remit of the Administrative Committee following a review of committee terms of reference in May 2022. This responsibility previously fell to the Corporate Policy and Resources Committee.
- 2.2 The Council has identified that a body to which it has previously appointed was omitted from the annual appointments that this Committee made in July 2022. This is the River Thames Landscape Strategy Partnership Executive Review Board which requires one appointment.

3. Options analysis and proposal

- 3.1 The nominations, as proposed by group leaders, are attached. Failure to agree these nominations will result in delays to the Council taking up its representation on the relevant outside body.

4. Financial implications

- 4.1 There are none.

5. Risk considerations

- 5.1 See section 3 of this report.

6. Legal considerations

- 6.1 There are none.

7. Other considerations

- 7.1 There are none.

8. Equality and Diversity

- 8.1 There are no considerations.

9. Sustainability/Climate Change Implications

- 9.1 There are none.

10. Timetable for implementation

- 10.1 The nomination will be effective on the passing of a resolution by the Administrative Committee.

11. Contact

- 11.1 Karen Wyeth; Interim Principal Committee Manager;
k.wyeth@spelthorne.gov.uk.

Background papers: There are none.

Appendices:

Appendix A – nominations from group leaders (to follow)

Administrative Committee

10 November 2022



Title	<i>Quarter 1 (30 June 2022) Capital Monitoring report</i>
Purpose of the report	To note
Report Author	<i>Paul Taylor Chief Accountant</i>
Ward(s) Affected	All Wards
Exempt	No
Corporate Priority	Community Affordable housing Recovery Environment Service delivery
Recommendations	The Committee is asked to note the (£0.17m) projected underspend on capital expenditure against its Capital Programme provision as at 30 June 2022, as set out in 2.7(a) and 3.2 of the attached report and appendices which were discussed at the Corporate Policy & Resources Committee meeting on 12 September 2022.

1. Summary of the report

- 1.1 This report seeks to update members of the Administrative Committee on the performance of the allocated capital projects against the approved budget, as at 30 June 2022.
- 1.2 Officers will be available to answer questions on the Committee's capital projects at the meeting.

2. Contact

- 2.1 Paul Taylor p.taylor@spelthorne.gov.uk

Background papers: None.

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Corporate Policy & Resources Committee

12 September 2022



Title	<i>Quarter 1 (30 June 2022) Capital Outturn report</i>
Purpose of the report	To note
Report Author	<i>Paul Taylor Chief Accountant</i>
Ward(s) Affected	All Wards
Exempt	No
Corporate Priority	Community Affordable housing Recovery Environment Service delivery
Recommendations	<p>The Committee is asked to note the current level of overspend on capital expenditure against its Capital Programme provision as at 30 June 2022 for the Council and in particular the Corporate Policy & Resources Committee.</p> <p>(Please note that individual committees will receive a full copy of this report once issued as part of the papers for Corporate Policy and Resources Committee (CPRC) meeting on 12 September).</p> <p>The Elmsleigh project has been disaggregated from 1 April 2022.</p>

1. Summary of the report

1.1 This report seeks to update Councillors on the performance of our capital projects against the approved budget, as at 30 June 2022.

1.2 Please note that

2. Key issues

2.1 The Capital Monitoring report covers the cumulative actual expenditure to date, against the cumulative Council approved Capital Programme budget and compares this against the latest forecast outturn from Officers.

2.2 Although the projects may have a budget allocation in the Capital Programme, any increases in budget will require prior approval by Corporate Policy & Resources Committee before drawing down on the budget.

- 2.3 Officers are beginning to see the impact of Brexit, longer term economic impacts of COVID-19 on our building costs, availability of labour and shorter fixed price guarantees from building suppliers. Over the next few years the uncertainty around the inflationary risk to our development projects, is not clear. As with the Bank of England forecasts, some commentators expect to see construction cost inflation rise, while others predict a fall. The impact of global events continues to influence commodity prices, whilst Brexit has created a shortage of labour in the construction sector, and finally the impact of the Cost of living crisis cannot be ignored, therefore, taking these issues into account, officers will continue to closely monitor these risks and assess the impact on our Estimated Capital Programme for 2022/23 to 2025/26.
- 2.4 As reported last quarter (31 March 2022) officers continue to monitor the impact of the inflation on the material and labour costs for our development contracts, which is forecast to have a £40m+ adverse impact on the Council's Capital budgets (over the current Capital Programme period) and this will have a knock-on impact on our revenue budgets due to increased interest charges, as notified by the Public Works Loan Board (PWLb) and greater costs to be financed.
- 2.5 Further, a number of projects have been handed over as completed, such as West Wing and we are awaiting the final contract to be signed off. Officers don't believe that there will be any further increase in the forecast for these projects.
- 2.6 For the quarter ended 30 June 2022 our approved Capital Programme was £394.1m (March: £337.4m). The latest forecast outturn position is £405.5m (March: £350.5m), giving a projected aggregate overspend £11.4m (March: overspend of £13.1m) as per Appendix A below.
- 2.7 The projected aggregate overspend by Committee as per Appendix B is as follows:
- (a) Administrative – projected underspend (£250k) (March: underspend (£35k) no change since last quarter.
 - (b) Community Wellbeing & Housing – projected overspend £14.7m (March: overspend £13.0m).
 - (c) Environment & Sustainability – projected over/underspend £87k (March: overspend £81k
 - (d) Corporate Policy & Resources Committee – projected underspend (£3.2m) (March: over/underspend £nil).
- 2.8 In arriving at the cumulative expenditure to date, the Finance Team account for capitalised borrowing costs, salaries, and all costs of acquisition on each development project.
- 2.9 As highlighted last quarter, the average monthly cost to the Council for the delays in moving the development properties forward is £170k (£140k revenue and £30k capital)
- 2.10 **Capitalisation of borrowing costs**
- 2.11 Under normal circumstances, officers would capitalise the borrowing costs associated with the six development properties in Staines-upon-Thames area based on the requirements of section 4 of the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Local Authority

Accounting, however, the delays caused by the moratorium and the Planning Committee process in approving the Council's plans has had a significant impact on the Council's finances.

- 2.12 As the Council progresses with the plans for each development, following the end of the moratorium, officers, in consultation with our external auditors, will have to reassess each project and if the design of the buildings has significantly altered, once the Planning Committee has approved the revised plans and in order to comply with the above CIPFA Code, Council may have to charge the design fees for the previous building designs from Capital to the Revenue budget and this could have a significant adverse impact on the revenue outturn, increasing the predicted budget deficit even further.

3. Variance analysis

- 3.1 We report on any significant movement in forecast variance over £50k or 20% of budget, whichever is the highest, or if there has been a significant development since last quarter, by committee as follows:
- 3.2 Administrative – projected underspend (£250k) (March: underspend (£35k))
- (a) Scan Digital Rollout – underspend (£20k) (March: underspend (£20k)) Funds no longer required and estimated capital programme will be amended to reflect this saving.
 - (b) Corporate Electronic Document Management System (EDMS) Project – underspend (£231k) (March: £nil over/underspend). Funds no longer required and estimated capital programme will be amended to reflect this saving.
 - (c) Forward Scanning – underspend (£20k) (March: (£20k)) project complete, as dealt with via another project budget. Funds no longer required and estimated capital programme will be amended to reflect this saving.
- 3.3 Community Wellbeing & Housing – projected net overspend £14.1m (March: overspend £14.5m)
- (a) Ashford MSCP - £1.6m overspend, (March: £500k overspend) Development Subcommittee to receive request for increased funds in August)
 - (b) Benwell 1 - £2.6m underspend (March: (£2.7m) underspend) an additional £100k spent on replacement trees.
 - (c) Oast House - £13.4m overspend (March: £13.4m overspend), as directed by Corporate Policy & Resources Committee at their July meeting, Officers will shortly be presenting a report to Development Subcommittee for a revised budget, in light of increased inflationary costs.
- 3.4 Environment & Sustainability – projected overspend £87k (September: £83k overspend)

- (a) Laleham Park Upgrade – Overspend £87k, unchanged from last quarter, Officers will be submitting new plans for approval shortly to the Development Subcommittee.
- 3.5 Corporate Policy & Resources – Underspend (£3.2m) (March: £nil under/overspend)
 - (a) 91/93 High Street – Underspend (£1.2m) (March: (£1.2m) underspend) Please note that these projects have been disaggregated from the global budget for Elmsleigh Centre, with effect from 1 April 2022
 - (b) Former Decathlon unit – underspend (£2m). Subject to signing the contract with Surrey County Council, this capital expenditure is no longer required and will be removed from the estimated capital programme.

4. Financial implications

- 4.1 Once a project is completed, any underspend on the approved Capital Programme enables the Council to invest the monies to gain additional treasury management investment income or to fund additional schemes.
- 4.2 Working closely with our Treasury Management advisors, officers are currently saving the Council more than £1,300k per annum in interest charges, through prudent use of short-term interest rates to fund regeneration development projects.
- 4.3 Upon completion of each project, officers obtain fixed rate interest loans to significantly reduce the Council's exposure to risk of future interest rate rises over the next 50 years.

5. Risk considerations

- 5.1 None, other than those mentioned above.

6. Legal considerations

- 6.1 None.

7. Other considerations

- 7.1 During 2022/23 officers will be expected to progress their capital projects, and where projects have not commenced, may be requested to cancel the project and reapply for capital funds, so that the unused funds can be utilised elsewhere by council, rather than being tied up in projects that are not progressing.

8. Equality and Diversity

- 8.1 This Council is committed to delivering equality, improving diversity and being inclusive in all our work as a service provider and an employer.
- 8.2 We incorporate equality into our core objectives, making every effort to eliminate discrimination, create equal opportunities and develop good working relationships between different people.

9. Sustainability/Climate Change Implications

- 9.1 Spelthorne Borough Council has declared a climate emergency and each capital project will be looking to reduce its carbon footprint within the financial constraints imposed on it.

10. Timetable for implementation

10.1 Not applicable.

11. Contact

11.1 Paul Taylor p.taylor@spelthorne.gov.uk

Background papers: None.

Appendices:

Appendix A – Summary Capital Monitoring Report by Committee as at 30 June 2022.

Appendix B – Detailed Capital Monitoring Report by Committee as at 30 June 2022.

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CAPITAL MONITORING REPORT AT 30 JUNE 2022

Portfolio / Service Head	Cost Centre	Description	Current Cumulative Budget	Cumulative Actuals to date for the project	Managers Projected Outturn at 30 June	Cumulative Budget vs Projected Outturn Variance	Comments
Administration							
Lee O'Neil	42010	KG Car Park Improvements	100,000	100,000	100,000	0	Works now complete - the resurfacing work (scalping of the top surface) for the quadrant car park, represents a revenue cost and £20.2k which was charged to the planned maintenance budget
		Total	£100,000	£100,000	£100,000	£0	
Paul Taylor	43602	Centro Upgrade - Integra	30,000	0	30,000	0	This project is expected to be completed in this financial year, currently in the testing stage due to go live in Aug 22
Paul Taylor	43609	Centros Upgrade	190,000	0	190,000		Phase 1, will start once the Centros system has gone live.
		Total	£220,000	£0	£220,000	£0	
Kamal Mehmood &	43604	Leisure Board	15,000	0	15,000	0	Discussions with Assets over the location of the board, but unlikely to be installed until the end of the financial year
		Total	£15,000	£0	£15,000	£0	
Alistair Corkish	43506	Scan Digital Rollout	20,000	0	0	-20,000	Data scanning progressing well has now been incorporated within the digital transformation processes, which will reduce paperwork and thus reducing need for scanning. Project closed and savings returned to the capital programme.
Alistair Corkish	43607	Recabling	200,000	0	200,000	0	
Alistair Corkish	43610	General Hard/Software - annual programme	50,000	0	50,000	0	Expected to be spent by end of this financial year
Alistair Corkish	43613	VDI Hosts	18,100	0	18,100	0	Expected to be spent by end of this financial year
Alistair Corkish	43614	Network Infrastructure	170,000	0	170,000	0	This project will begin Q3/Q4 and will carry on into 2022-23
Alistair Corkish	43615	Members Tablets	41,900	0	41,900	0	Procurement will be done in Q3
		Total	£500,000	£0	£480,000	-£20,000	
Roy Tilbury	43625	Customer Portal	8,000	0	8,000	0	To be spent in next few months as Council has chosen Granicus.
Roy Tilbury	43626	Customer Services Contact Cent	40,000	5,538	40,000	0	The remaining budget will be spent on further development of webchat and Ai during 22/23
Roy Tilbury	43629	Net call Contact Centre	70,000	10,800	70,000	0	This will form part of the digital upgrade to be complete in 22/23
		Total	£118,000	£16,338	£118,000	£0	
Sandy Muirhead	43501	Forward Scanning	20,000	0	0	-20,000	Data scanning progressing well has now been incorporated within the digital transformation processes, which will reduce paperwork and thus reducing need for scanning. Project closed and savings returned to the capital programme.
Sandy Muirhead	43502	Digital Spelthorne	50,000	0	50,000	0	Delays occurred in implementation as a result of strategy development and queries by CS which has been resolved. Monies will be spent in this financial year.
Sandy Muirhead	43512	SharePoint redesign & Relaunch	155,000	0	155,000	0	SharePoint launch is being delayed as a result of staff recruitment delays. New member of staff has started in July 2022 but due to workload spend is expected in 22-23 & 23-24.
Sandy Muirhead	43515	Corporate EDMS Project	231,200	0	100,000	-131,200	A substantial amount of the work will be dealt with from the SharePoint budget (Cost centre 43512 below) and therefore £131,200 is no longer required.
		Total	£456,200	£0	£305,000	-£151,200	
		Committee Total	£1,409,200	£116,338	£1,238,000	-£171,200	

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Administrative Committee

10 October 2022



Title	<i>Quarter 1 (30 June 2022) Revenue Monitoring report</i>
Purpose of the report	To note
Report Author	<i>Paul Taylor Chief Accountant</i>
Ward(s) Affected	All Wards
Exempt	No
Corporate Priority	Community Affordable housing Recovery Environment Service delivery
Recommendations	The Committee is asked to note the (£235,300) projected underspend on revenue expenditure for the Administrative Committee against its Budget as at 30 June 2022, as set out in 2.1(a) of the attached report and appendix C1, which was discussed at the Corporate Policy & Resources Committee meeting on 12 September 2022.

1. Summary of the report

- 1.1 This report seeks to update members of the Administrative Committee on the forecast revenue performance against the approved cost centre budgets within their portfolio, as at 30 June 2022.
- 1.2 Officers will be available to answer questions on the Committee's revenue outturn report at the meeting.

2. Contact

- 2.1 Paul Taylor p.taylor@spelthorne.gov.uk

Background papers - None

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Corporate Policy & Resources Committee

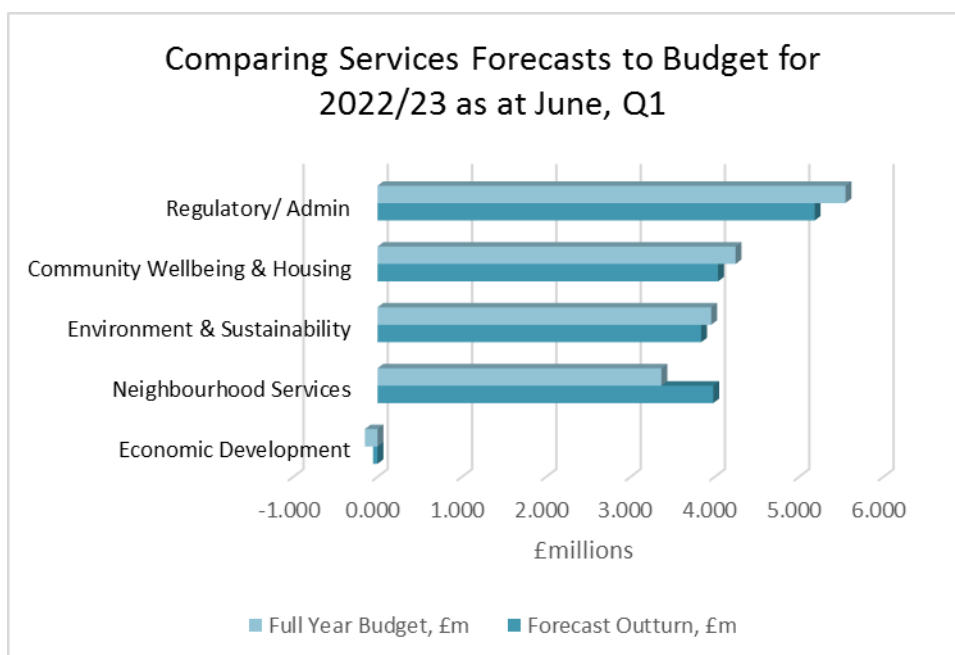


12 September 2022

Title	Q1 Revenue Monitoring Report as at 30 June 2022
Purpose of the report	To note
Report Author	Anna Russell Deputy Chief Accountant
Ward(s) Affected	All Wards
Exempt	No
Corporate Priority	Community Affordable housing Recovery Environment Service delivery
Recommendations	Committee is asked to note the Quarter 1 position for 2021/22 as at 30 June 2022
Reason for Recommendation	Not applicable

1. Summary of the report

- 1.1 This report provides a summary of the Quarter 1 (Q1) for the financial year 2022/23 as at 30 June 2022, which is a net £69k deficit.
- 1.2 The purpose of this report is to produce reasonable forecasts for the year. However, a range of issues such as post-COVID effects, the cost-of-living crisis and global crises are expected to impact on the budget. The COVID-19 pandemic created a dynamic environment requiring frequent reassessment of plans and projections. The current cost-of-living crisis in the UK has seen steep price increases across fuel, utilities, food and other goods, resulting in successive uplifts in the Bank of England interest rate; all of which are expected to continue to increase significantly over the coming months. International and global crises, such as Ukraine and climate change, are adding to uncertainty and inflationary pressures. Such issues give context to the council's circumstances and will be considered as far as practical, noting that detailed consideration is outside the scope of this report.
- 1.3 The services budgets and outturn are shown in the chart below. Key variances are detailed by committee in the next section, 2.



2. Committee commentary

2.1 The following tables identify significant (greater than £20,000) differences from budget for services within each Committee.

The (negative) and positive variances indicate:

(negative): favourable = an (underspend) or (over-recovery) of income

positive: adverse = an overspend or under-recovery of income

(a) Regulatory/ Administrative Committee

Service	Variance £'000	Comment
Committee Services	(20)	Underspend expected due to vacant posts, partially covered by overtime.
Corporate Governance	88	Vacant posts are being covered by Agency staff with higher costs
Corporate Management	(220)	Underspend on budgeted COVID-19 expenditure (£200k), and on general subscriptions (£20k).
Information & Comms Technology	(50)	Savings expected due to vacant posts
Legal	(20)	Underspends of (£20k) expected due to vacant posts, partially covered by agency staff.
	(222)	Total significant net variances

Details for the service committee are given in Appendix C1.

(b) **Corporate Policy & Resources Committee**

Service	Variance £'000	Comment
Accountancy	(34)	Savings expected due to vacant posts.
Asset Management Administration	(27)	Underspend due to 4 current vacant posts. Actual amount to be recharged to KGE Ltd less than budgeted due to changes in staff time on KGE work and vacancies.
Customer Services Management & Support	(40)	Underspent due to vacant posts, partially covered by agency staff and additional overtime payments.
Development Properties	265	Consists of: (1) Forecast overspend of £515k is based on 2021/22 outturn with consideration to high gas and electric costs expected this year and overspends relating to empty and void properties; offset by (2) unbudgeted income of (£250k) NHS contribution towards planning costs for the Oast House development.
General Property Expenses	(42)	Underspend totalling (£74k) on Consultants, Surveyors and Valuers as more work undertaken by staff in-house. Offset by £22k under-recovery of income relating to: covid relief allowed for tenants; some tenants having left. Budget amended in 2022/23 to reflect lower income.
Planned Maintenance Programme	(135)	Estate programme maintenance budgets expected to be underspent (£75k) of which (£20k) will be used to fund overspend on the Knowle Green Car Park capital project. Also, expected savings of (£60k) from unused one-off Surveyors budget and Computer Software budget.
Project Management	(20)	Underspent expected due to vacant posts.
Unapportionable Central Overheads	(17)	Consists of: (1) Monthly superannuation payments to Surrey County are expected to be (£268k) lower than budgeted based on number of staff in post; offset by (2) Pension Fund payments £251k higher than budgeted.
	(50)	Total significant net variances

Details for the service committee are given in Appendix C2.

(c) **Community Wellbeing & Housing Committee**

Service	Variance £'000	Comment
SPAN (Spelthorne Alarm Network)	(57)	The underspend is the result of SPAN service moving to Mole Valley at the end of September 2022. Staff were transferred 1st July, with (£102k) underspend of the budget for the rest of the year, and corresponding £103k under-recovery of recharged income. In addition, there are underspends of (£57k) forecast on non-employee costs due to the move.
Community Centres	31	Overspends forecast for increases in cost of living.
Spelthorne Family Support	0	Staff underspends of £30k due to vacant post, partially being covered by temporary staff. Remainder of costs are expected to be recharged for work relating to Afghan Refugees. Income is forecast to be under-budget by £22k but is expected to cover costs.
Community Development	38	Increased allocation of Better Neighbourhood grants agreed, for councillors to spend on the Jubilee celebrations.
Homelessness	(90)	Lower numbers in Rent Assure scheme are contributing to lower expenditure and income than budgeted. Demand is slowly increasing
Housing Benefits Admin	(92)	Variance includes: (1) Underspend of (£43k) forecast on vacancies, which are being recruited to; and (2) (£52k) unbudgeted income from additional new burdens grants received from DWP. These grants are ringfenced to Housing Benefits, but the council has no control over if and when the grants are issued.
Housing Benefits Payments	6	Additional expenditure £205k and grant income (£199k) relates to Household support fund scheme, which has been extended into 2022/23.
Leisure Administration	(40)	Unbudgeted income of (£40k) relates to funds from Public Health for covid outreach worker secondment.
Spelthorne Leisure Centre	(32)	Spelthorne's profit share has increased with reference to inflation.
	(236)	Total significant net variances

Details for the service committee are given in Appendix C3.

(d) **Neighbourhood Services Committee**

Service	Variance £'000	Comment
Car Parks	589	Under-recovery of £589k as income is forecast to be lower due to slower than expected recovery post COVID-19.
Neighbourhood Services Management Support	(20)	Savings expected due to vacancies, partially covered by agency staff and overtime.
Environmental Health Admin	0	Expected to be higher by £128k due to an additional contractor and agency costs to cover vacant posts and EH COVID-19 response Supplement service. Costs to be offset, funded by (£128k) from Surrey County Council.
Street Cleaning	0	Savings of (£20k) expected due to vacant posts, partially covered by agency staff and overtime. Off-set by fuel costs which are forecast to be £20k higher than budget.
Spelride	30	Income is forecast to be lower due to slower than expected recovery post COVID-19.
	599	Total significant net variances

Details for the service committee are given in Appendix C4.

(e) **Economic Development Committee**

Service	Variance £'000	Comment
Staines Market	90	Income is forecast to be lower due to slower than expected recovery post COVID-19.
	90	Total significant net variances

Details for the service committee are given in Appendix C5.

(f) **Environment & Sustainability**

Service	Variance £'000	Comment
Grounds Maintenance	30	Savings of (£20k) expected due to vacant posts, partially being covered by agency staff and overtime. This off-sets overspend on fuel costs expected to be £50k higher than budgeted.
Planning Development Control	(90)	Underspends relate to 3 vacant posts.
Planning Policy	21	Consists of: (1) (£28k) Underspend relating to 1 vacant post which is currently on hold until filled as a temporary one-year post); offsetting (2) £49k Overspend associated with Local Plan work, which can be funded from Local Plan reserve set up in 2021/22 from budget underspend.
Refuse Collection	(90)	Higher than budgeted income from green waste bins due to more clients.
	(129)	Total significant net variances

Details for the service committee are given in Appendix C6.

Go to next page for 2.2

2.2 Net Asset Income (Commercial and Regeneration Assets)

The tables below show the latest monitoring position for the acquired assets, and exclude figures relating to developments on properties to be transferred to Knowle Green Estates Ltd. The net income from commercial assets is used to meet additional spend pressures resulting for example from reduced funding from government grant and Surrey County Council.

- 2.3 Net commercial rental income is forecast to be £1.183m under budget due for example to termination of leases following downturns in commercial tenants' circumstances after COVID-19. The net shortfall is funded by drawdown from sinking funds.

Commercial Assets	Revised Budget £'000	Forecast Outturn £'000	Variance £'000
Rental Income (as per signed lease)	(54,001)	(52,327)	1,674
<i>less: Landlord costs</i>	8,161	7,670	(491)
Net Rental Income receivable	(45,840)	(44,657)	1,183
Loan Interest Payable	22,420	22,420	0
Minimum Revenue Provision	11,067	11,067	0
Sinking Funds - contributions to	6,062	6,062	0
Sinking Funds - release from	(3,767)	(4,950)	(1,183)
Set Asides for specific revenue purposes	455	455	0
Net Income (to fund Revenue budget)	(9,603)	(9,603)	(0)

Regeneration Assets	Revised Budget £'000	Forecast Outturn £'000	Variance £'000
Rental Income (as per signed lease)	(5,245)	(5,114)	131
<i>less: Landlord costs</i>	883	1,415	532
Net Rental Income receivable	(4,363)	(3,700)	663
Loan Interest Payable	747	747	0
Minimum Revenue Provision	900	900	0
Sinking Funds - contributions to	751	751	0
Sinking Funds - release from	(57)	(720)	(663)
Set Asides for specific revenue purposes	675	675	0
Net Income	(1,347)	(1,346)	0

- 2.4 The Council places a significant amount of the income earned into sinking funds, with £6.812m planned to cover future changes in circumstance, such as capital refurbishments or rent-free periods, and (£4.965m) forecast to be applied during the year, which would increase our sinking funds reserves by £1.847m.

	Balance 31/03/22 £'000	Additions 2022/23 £'000	Applied 2022/23 £'000	Balance 31/03/23 £'000
Proposed Allocation to Reserves	33,623	6,812	(5,669)	34,766

2.5 Retained Business Rates

The payment to or from preceptors for business rates is adjusted according to the balance on the collection fund. The Business Rates Equalisation Reserve is used to cover under-recovery of business rates when required, which is budgeted at £1.929m.

- 2.6 **Knowle Green Estates Ltd (KGE Ltd)** is a wholly owned company set up to meet the housing needs of residents, including affordable rented and private rented accommodation and key worker homes. The company is still in the early stages of its development, and it would not be appropriate at this time to take on the burden of fixed overhead costs until it becomes more mature. Costs charged to the company by the Council are for staffing support and for debt financing.

- 2.7 The company does not directly employ staff, with staffing services provided by the Council at cost £395k for 2022/23. Debt financing relates to loans representing assets transferred from Spelthorne Borough Council to Knowle Green Estates Ltd. Interest payable for 2022/23 was £821k.

- 2.8 KGE Ltd is forecast to have a net £364k loss by the end of the year, as shown in the summary next.

Knowle Green Estates Ltd	Full year budget 2022/23 £'000	Forecast outturn 2022/23 £'000
	£'000	£'000
Expenditure	1,097	1,464
Income	(1,100)	(1,100)
Net (Profit)/Loss	(3)	364

- 2.9 The difference between the budget and the forecast is due to an oversight in the business plan in respect of Benwell phases I and II, which is a timing issue and has no impact on the overall 50-year projections for KGE. In the original projections, the loan (capital and interest) costs for Benwell I were allocated to Benwell II and vice versa. Rental income is not affected.

- 2.10 **Spelthorne Direct Services Ltd** (SDS Ltd) is a wholly owned company set up to trade in commercial waste disposal, with directly employed staff. The company has loans with the council through a loan facility, to help support the company through the first years of trading, which has been affected negatively by COVID-19. The annual interest payable on current loans is £22k, with £16k payable for 2022/23.
- 2.11 SDS Ltd is forecasting a net £11k loss by the end of the year, as shown in the summary below.

Spelthorne Direct Services Ltd	Full year budget 2022/23	Forecast outturn 2022/23
	£'000	£'000
Expenditure	413	324
Income	(355)	(313)
Net (Profit)/Loss	58	11

- 2.12 The forecast for income is lower than budgeted, with less customers than originally expected. However, forecast costs have also been reduced to reflect this, resulting in a £47k reduction in the overall loss compared to budget.
- 2.13 **2022/23 Pay Award**
Budget was increased for 2022/23 pay award to allow for a 2% increase across all grades, and 2.5% for grades 1 to 5. This was implemented for staff with effect from 1st April. However, in July, the national employers made a final offer to the Unions of a fixed sum of £1,925 per FTE which would equate to an average increase of 3.7% on Spelthorne grades.
- 2.14 As a fixed sum approach, the national offer is worth most to the staff on the lowest grades. For example, for the lowest SBC scale point it equates to 9.78% and then proportionally decreases as a percentage as you move up the pay scales.
- 2.15 Once the national outcome is known for 2022-23, the Committee will need to consider whether it wishes to recommend to Council increasing our local offer to match the national offer. Doing so would add another £400k to the base budget. The projections in this report have not built in any assumption around this.
- 2.16 This is highlighted as a risk consideration in this report.

3. Financial implications

- 3.1 As set out within the report and appendices.

4. Risk consideration

- 4.1 Current national negotiations on pay and the broader cost of living pressures could indirectly affect local pay negotiations by potentially requiring a further uplift on top of the pay increase implemented from 1 April 2022 possibly on the scale of £400k for the full year. That impact is being reviewed separately and is outside the scope of this report.
- 4.2 With the current cost of living crisis, there is a significant risk that the net spend position worsen during this financial year. To illustrate this, the budget was prepared in December 2021 on 2% inflation, but recent inflation forecasts are up to 10%, and higher. The impact of spend pressures will be cushioned in the period before existing agreements are uplifted or changed. As a result, an associated risk is that managers will not be able to quantify the impact yet.

5. Legal considerations

- 5.1 None expected. Legal will be consulted for comments on this report.

6. Other considerations

- 6.1 There are none.

7. Equality, Diversity and Inclusion

- 7.1 There are no specific areas to highlight. However, equality, diversity and inclusion (EDI) are central to everything that we do and are woven throughout our Strategic Plans. Equality Impact Assessment will be undertaken where savings proposals are put forward for 2023-24.

8. Sustainability/Climate Change Implications

- 8.1 This report is intended to inform Councillors and senior management of key financial statistics, thereby facilitating effective management of the Council's resources.

9. Timetable for implementation

- 9.1 Monthly financial monitoring reports are produced for Management team, and quarterly for Committees.

Background papers: List of carry forward requests for 2022/23 revenue budgets

Appendices:

Appendix A – Revenue 2022-23 Q1 Summary

Appendix B – Revenue 2022-23 Q1 By Committee

Appendix C1 – Revenue 2022-23 Q1 Regulatory Administrative

Appendix C2 – Revenue 2022-23 Q1 Corporate Policy & Resources

Appendix C3 – Revenue 2022-23 Q1 Community Wellbeing & Housing

Appendix C4 – Revenue 2022-23 Q1 Neighbourhood Services

Appendix C5 – Revenue 2022-23 Q1 Economic Development

Appendix C6 – Revenue 2022-23 Q1 Environment & Sustainability

Regulatory/ Administrative Committees

Results to 30-Jun-22	Budget Revised	Forecast Outturn	Variance of Forecast from Revised Bgt	Staffing Budget	Staffing Actual	Comments
	£	£	£	FTE	FTE	
Employees	106,600	101,700	(4,900)	1.75	1.75	
Other Expenditure	152,700	151,400	(1,300)			
Income	0	0	0			
Audit	259,300	253,100	(6,200)	2	2	
Employees	253,600	233,600	(20,000)	6.20	5.00	Underspend expected due to vacant posts, partially covered by overtime.
Other Expenditure	24,900	24,900	0			
Income	0	0	0			
Committee Services	278,500	258,500	(20,000)	6	5	
Employees	261,100	349,200	88,100	4	1	Vacant posts are being covered by agency staff with higher costs
Other Expenditure	22,200	30,400	8,200			
Income	0	0	0			
Corporate Governance	283,300	379,600	96,300	4	1	
Employees	256,000	256,000	0			Underspend on budgeted COVID-19 expenditure (£200k) and on general subscriptions (£20k)
Other Expenditure	826,900	607,000	(219,900)			
Income	0	0	0			
Corporate Management	1,082,900	863,000	(219,900)	0	0	
Employees	276,000	276,000	0	5.69	5.69	
Other Expenditure	88,200	88,200	0			
Income	0	0	0			
Corporate Publicity	364,200	364,200	0	6	6	

Regulatory/ Administrative Committees

Results to 30-Jun-22	Budget Revised	Forecast Outturn	Variance of Forecast from Revised Bgt	Staffing Budget	Staffing Actual	Comments
	£	£	£	FTE	FTE	
Employees	12,100	12,200	100			
Other Expenditure	415,700	412,700	(3,000)			
Income	0	0	0			
Democratic Rep & Management	427,800	424,900	(2,900)	0	0	
Employees	2,300	13,800	11,500			
Other Expenditure	7,900	15,000	7,100			
Income	0	0	0			
Elections	10,200	28,800	18,600	0	0	
Employees	192,200	187,400	(4,800)	3.89	3.89	
Other Expenditure	100,900	100,900	0			
Income	(1,000)	(1,000)	0			
Electoral Registration	292,100	287,300	(4,800)	4	4	
Employees	366,700	362,700	(4,000)	6.56	4.98	
Other Expenditure	54,300	54,300	0			
Income	0	0	0			
HR	421,000	417,000	(4,000)	7	5	
Employees	773,700	723,700	(50,000)	15.53	11.25	Savings expected due to vacant posts
Other Expenditure	417,400	417,400	0			
Income	0	(2,400)	(2,400)			
Information & Comms Technology	1,191,100	1,138,700	(52,400)	16	11	

Regulatory/ Administrative Committees

Results to 30-Jun-22	Budget Revised	Forecast Outturn	Variance of Forecast from Revised Bgt	Staffing Budget	Staffing Actual	Comments
	£	£	£	FTE	FTE	
Employees	0	0	0			
Other Expenditure	323,300	323,300	0			
Income	(35,000)	(35,900)	(900)			
Insurance	288,300	287,400	(900)	0	0	
Employees	68,600	69,200	600	1.83	1.83	
Other Expenditure	30,500	33,500	3,000			
Income	(134,000)	(150,000)	(16,000)			
Land Charges	(34,900)	(47,300)	(12,400)	2	2	
Employees	666,500	646,500	(20,000)	10.00	8.80	Underspends expected due to vacant posts, partially covered by agency staff
Other Expenditure	26,600	35,000	8,400			
Income	(77,500)	(97,000)	(19,500)			
Legal	615,600	584,500	(31,100)	10	9	
Employees	71,300	76,300	5,000	1.39	1.39	
Other Expenditure	800	200	(600)			
Income	0	0	0			
Payroll	72,100	76,500	4,400	1	1	
Total Employees Total Other Expenditure Total Income Net Total						
	3,306,700	3,308,300	1,600	57	46	
	2,492,300	2,294,200	(198,100)			
	(247,500)	(286,300)	(38,800)			
	5,551,500	5,316,200	(235,300)	57	46	

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Spelthorne Borough Council

Services Committees Forward Plan and Key Decisions

This Forward Plan sets out the decisions which the Service Committees expect to take over the forthcoming months, and identifies those which are **Key Decisions**.

A **Key Decision** is a decision to be taken by the Service Committee, which is either likely to result in significant expenditure or savings or to have significant effects on those living or working in an area comprising two or more wards in the Borough.

Please direct any enquiries about this Plan to CommitteeServices@spelthorne.gov.uk.

Spelthorne Borough Council

Service Committees Forward Plan and Key Decisions for 1 November 2022 to 28 February 2023

Anticipated earliest (or next) date of decision and decision maker	Matter for consideration	Key or non-Key Decision	Decision to be taken in Public or Private	Lead Officer
Administrative Committee 10 11 2022	Appointments to Outside Bodies	Non-Key Decision	Public	Karen Wyeth, Committee Manager
Administrative Committee 10 11 2022	Capital Monitoring Report (Qtr 1 April-June)	Non-Key Decision	Public	Paul Taylor, Chief Accountant
Administrative Committee 10 11 2022	Revenue Monitoring Report (Qtr 1 April-June)	Non-Key Decision	Public	Paul Taylor, Chief Accountant
Administrative Committee 19 01 2023	Q2 Capital Monitoring Report (July-September)	Non-Key Decision	Public	Paul Taylor, Chief Accountant
Administrative Committee 19 01 2023	Q2 Revenue Monitoring Report (July-September)	Non-Key Decision	Public	Paul Taylor, Chief Accountant
Administrative Committee 19 01 2023	Threshold for the Mandatory use of Local Suppliers to increase the threshold from £5,000 to £10,000 for the mandatory use of local suppliers.	Non-Key Decision	Public	Hilary Gillies, Interim Corporate Procurement Manager
Administrative Committee 08 06 2023	Q3 Capital Monitoring Report (October-December)	Non-Key Decision	Public	Paul Taylor, Chief Accountant

Date of decision and decision maker	Matter for consideration	Key or non-Key Decision	Decision to be taken in Public or Private	Lead Officer
Administrative Committee 08 06 2023	Q3 Revenue Monitoring Report (October-December)	Non-Key Decision	Public	Paul Taylor, Chief Accountant

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